

U S WEST, Inc.
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USWEST

Lawrence E. Sarjeant
Vice President -
Federal Regulatory

June 5, 1996

EX PARTE PRESENTATION

RECEIVED

JUN 5 1996

Mr. William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, N.W., Room 222
Washington, D.C. 20554

Federal Communications Commission
Office of the Secretary

RE: Implementation of the Local Competition Provisions
in the Telecommunications Act of 1996
CC Docket No. 96-98

Dear Mr. Caton:

Attached hereto are two copies of a letter, with attachments, that was delivered late yesterday to Mr. Calvin Howell of the Competitive Pricing Division. This data submission was made at the request of Mr. Howell; and therefore, pursuant to paragraph 291 of the NPRM released in the above-referenced proceeding on April 19, 1996, the submission does not count against U S WEST's page limit for ex parte filings made in this proceeding.

In accordance with Commission Rule 1.1206(a)(1), two copies of the letter and attachments are being filed with you for inclusion in the public record. Due to the lateness of the day when the attached letter was delivered to Mr. Howell, this notice of presentation is being filed on the next business day. Acknowledgment and date of receipt are requested. A copy of this transmittal letter is provided for this purpose. Please contact me if you have questions.

Sincerely,

Lawrence E. Sarjeant

Attachments

cc: Calvin Howell

No. of Copies rec'd
List ABCDE

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Lawrence E. Sarjeant
Vice President -
Federal Regulatory

June 4, 1996

Mr. Calvin Howell
Competitive Pricing Division
Common Carrier Bureau
Federal Communications Division
1919 M Street, NW, Room 518
Washington, D.C. 20554

Dear Mr. Howell:

Attached please find a matrix which, among other things, identifies the status of certain key issues related to interconnection in the states served by U S WEST Communications, Inc. ("USWC"). The matrix was last updated at the end of last week. Nonetheless, because the state environment is changing so quickly, there are a few entries that need to be corrected. This was the best that we could come up with given the half-a-day turn around time that we were given to satisfy the data request.

With respect to the state of Washington, the \$25.00 rate indicated as the resale rate for business service is incorrect. Because the King County Superior Court stayed certain parts of the recent WUTC rate decision, the \$25.00 business resale rate has not taken effect. Multiple business rates are currently in effect in Washington depending upon the particular service area. Also with respect to the state of Washington, there is no currently pending unbundled loop rate since the WUTC has requested that the company refile the tariff that would have covered unbundled loops.

I hope that the attached matrix proves to be helpful. If you need additional information, please follow up with Cyndie Eby at 429-3106.

Sincerely,

A handwritten signature in cursive script, appearing to read "Lawrence E. Sarjeant".

Interconnection Status Matrix - Wireline

Amstar's Agreement	No		0.000			Yes
Arizona Tentative Rules	No	36 mo	No	Possible	No	Yes
Bell/Bell MCI Agreement	No		.01 - .010			Yes
		Billable usage differential not to exceed 5%				
California-Rule	No	12 mo	NA	NA	NA	Yes
Pac Bell-MFS	No	No	0.0075	NA	0.0075	Yes
Pac Bell-TCG	No	12 mo	NA	NA	NA	
Colorado		36 mo	NA	NA	NA	
Connecticut	No	12 mo	Option	Option		Yes
Florida - Orders	No	yes	NA	NA	yes	
Florida-BS Agreement		No	0.00876	NA	0.0105	Yes
Georgia: Negotiating						
Illinois	No	No	0.0050	No	0.0075	
Indiana	No	<5% balance	0.01			
Iowa	No	6 mo	NA	NA		
Louisiana		No	Sw Acc Rates-FRC & CCL			Yes
		Billable usage differential not to exceed 10%				
Massachusetts		No	0.015		0.015	
Maryland	No	No	0.003	No	0.005	Yes
Michigan	No	<5% balance	0.015	No		Yes
Ohio	No	Until 7-1-97				
New York	Yes	No	0.0074	Option	0.0098	Yes
Oregon	No	24 mo.	NA	NA		
Utah - Tentative	Probably No	Probably	NA	NA		Yes
Washington	No	Possibly indefinitely	No	Possible	No	

Interconnection Status Matrix - Wireline

Arizona Tentative Rules		Yes		TSLRIC	Taskforce	
Bell/MCI Agreement				B 1.50-R 1.25 .50add path		
California-Rule	Limited	Yes	R 10% 10.13+ Zone Usage		Taskforce	
			B 17% 8.57 + Zone Usage			
Pac Bell-MFS				3.25		
Colorado	Yes	Yes	Tariffed Less Avoided Costs	RCF 1st 6. Addl 4/DID 40.	LRN/Taskforce	
Connecticut			Wholesale R&B 16.78-21.57		Taskforce	
Florida - Orders				B/R:1.00 +0.50/Path	Taskforce	
Florida-BS Agreement				Res: 1.25 + 0.50/Path		
				Bus: 1.50 + 0.50/Path		
Georgia	Yes-7-15-96	Yes	R 20.3% -B 17.5%		LRN	
Illinois			Res: 6% Bus: 10%		LRN	
Indiana					Will Adopt LRN	
Iowa				TSLRIC +		
Massachusetts				Res: 2.00 Bus: 4.00		
Maryland			18.50	1.98/mo/#	Taskforce	
Michigan					Will Adopt LRN	
Ohio			DTL: 3%; Toll: 10%	Res 1.00+.37/Path	Will Adopt LRN	
				Bus 3.25+.25/Path		
New York				# Surcharge	LRN	
Oregon				DNRI 5.40	Taskforce	
				RCF 1st 2.16 Addl 1.22		
Utah -Tentative		Yes				
Washington		Yes	R 10.50/ B 25		Taskforce	
			Pending Determination	DNRI: 0.78 -Pending		
			Of Avoided Costs	RCF 2.12- Pending		

Interconnection Status Matrix - Wireline

State	Service Type	Local Access Charge (LAC)	Long Distance Charge (LDC)	Interconnection Status	Interconnection Status	Interconnection Status	Interconnection Status
Arizona Tentive Rules		TSLRIC		No	No	No	No
California Rule	Physical			No			
Pac Bell-MFS	Physical	B: 12.50 - 19.50 R: 13.90 - 21.40		No			
Pac Bell-TCG	Physical			No			
Colorado	Physical			No	No	No	No
Connecticut	Physical	10.18 - 15.33	1.90+ .008/mou	No			
Florida - Orders		17.00	2.00	No			
Florida-BS Agmt		Private Line		No			
Georgia				No			
Illinois	Virtual	Res: 7.89 - 14.86 Bus: 4.80 - 12.35	Res: 1.10 Bus: 1.62	No	YES	YES	YES
Iowa		9.44		No			
Louisiana		18.5 /Pending	R \$2+usage Pending B \$7+usage Pending	No			
Maryland		80% of DTL	20% of DTL	No			
Michigan		Res: 8.00 Bus: 11.00	1.01	No			
New York	Physical	R -19.35 B -16.85	\$1 + usage	No			
Oregon	Virtual			No	No	No	No
Texas		15.00 & 17.00					
Utah-Tentative				No	No	No	No
Washington	Virtual	Res 16.-44.94 Pnd Bus 13.59-42.53Pnd		No	No	No	No

Interconnection Status Matrix - Wireline

Arizona Tentative Rules	Yes	Yes	Yes	Yes	Yes	Yes
California-Rule						Yes
Pac Bell-MFS						
Pac Bell-TCG						
Colorado	Yes/Filed		Yes	Yes	Yes	Yes
Connecticut						
Florida - Orders						
Florida-BS Agreement						
Georgia Negotiating						
Idaho			Yes	Yes	Yes	
Illinois						
Indiana						
Iowa	Yes		Yes	Yes	Yes	Yes
Massachusetts						
Maryland						
Michigan						
Minnesota	Yes/Pending	Yes/Pending	Yes	Yes	Yes	
Montana	Yes	Yes	Yes	Yes	Yes	
Nebraska			Yes	Yes	Yes	
New Mexico			Yes	Yes	Yes	
New York						
No Dakota			Yes	Yes	Yes	
Ohio						
Oregon	Yes	Yes	Yes	Yes	Yes	Yes
So Dakota	Yes	Yes	Yes	Yes	Yes	
Utah	Yes	Yes	Yes	Yes	Yes	Yes
Washington	Yes/ Stayed	Yes/ Stayed	Yes	Yes	Yes	Yes
Wyoming	Yes	Yes	Yes	Yes	Yes	Yes

Interconnection Status Matrix - Wireline

Bus to Res - Ability to recover lost business to residence subsidy support
BM & Keep - Mutual exchange of traffic at no charge
Local Usage - Ability to recover cost of local traffic on a per MOU basis from the new entrants
Flat - Ability to recover cost of local traffic on a flat rated basis from the new entrants
Tandem - Ability to recover the use of tandem functionality through a tandem switching charge
Symmetry - The same rates for incumbent, with ubiquitous networks, and new entrants with smaller, newer networks

Remarks

Operating Support System Access - Electronic interface allowing new entrants to access incumbent's on line systems, e.g., repair and installation systems
Cross Class Restriction - Prohibiting residential service being resold for business use and flat rated services being substituted for measured
Discount - Discounted rates applicable to resold IFR & IFB services; percent and rates if available

Number Portability

Interim - Rates for interim solution
Long Term - Progress toward long term solution
Cost Recovery - Identify the sub set of customers which will bear the number portability costs

Interconnection / Unbundling based on AT & T / MCI Proposal

Collection of Local & Tandem switches - Unbundling access to local and tandem switches
Unbundled Loop Price - Rate for unbundled loop without CALC
Port Price - Rate for unbundled port
AIN Unbundling - Unbundling of AIN logic ultimately to the triggers
Loop Distribution - Sub loop unbundling allowing access to loop distribution
Feeder - Sub loop unbundling allowing access to loop feeder
Concentrator - Sub loop unbundling allowing access to concentrator sites and concentrator equipment itself
Dedicated Transport - Access to unbundled Direct Trunked Transport, implemented with the Switched Access Local Transport
Restructure (LTR)
Common Transport - Access to unbundled Tandem Switched Transport, implemented with the Switched Access Local Transport
Restructure (LTR)
SS7 Signaling Links - Access to unbundled SS7 signaling links
Signal Transfer Points - Unbundled Access to signal transfer points STP to STP
Signal Control Points - Access to signal control points; AT & T wants unmediated access
Operator Services - Access to Operator services

May 31, 1996
Jeff Garrett (303) 896-8615

**U S WEST COMMUNICATIONS FILES COMPETITIVE TARIFFS, URGES
PUC TO BALANCE INTERESTS OF ALL CUSTOMERS**

(Denver) - U S WEST Communications today filed tariffs with the Colorado Public Utilities Commission to give new telecommunications providers access to the state's telecommunications network.

The tariffs are designed to ensure Colorado's telecommunications network remains strong and that all Colorado consumers continue to have access to a reliable telecommunications network at a reasonable price.

"Many of the new competitors will build networks to serve only a small segment of customers - those who generate the most profit," said John Scully, Colorado vice president for U S WEST Communications. "We are the only telecommunications company in Colorado that's on record as building a network to serve all Colorado consumers.

"We've long supported opening the local telecommunications market to competition. Our proposal accelerates that process by setting reasonable rates for competitors to use the network. We've actually proposed some rates that are below cost to support new competition, but in these cases we and the commission in 1996 must transition all prices to cover cost," Scully added.

The tariffs deal with new entrants' plans to resell U S WEST Communications' services, unbundle network facilities and interconnect to the U S WEST Communications network.

Resale: In many markets, AT&T and other telecommunications companies intend to buy U S WEST Communications services and simply resell them to consumers under their company name rather than build their own networks to provide local service. Under the proposed tariffs, U S WEST Communications will sell residential services to competitors for \$17.95 per line per month. Business services will be sold at a 5% discount from current tariffed prices. The discount reflects costs that U S WEST Communications no longer will incur on the resold line, such as billing and advertising

~~more~~

Unbundled Loop: In some markets, AT&T and others companies new to the local telecommunications business may want to lease the most costly part of U S WEST Communications' network rather than making the investment to build their own. This is the "local loop" -- the cables and other facilities that connect customers with the network. The proposed tariff includes a \$32 a month price for the local loop. This price is based on the actual cost to install and maintain the tens of thousands of miles of network facilities that connect customers throughout Colorado.

Interconnection: When multiple companies provide telecommunications service in Colorado, the networks must interconnect so calls can be carried between systems. Under the proposed tariffs, companies would compensate each other for carrying each others' traffic based on the actual costs each company incurs.

"We expect AT&T and other new entrants will complain that these prices are too high and claim that without big discounts they won't be able to compete in Colorado," Scully said. "Frankly, that's nonsense.

"They need to compete for customers the old fashioned-way -- by developing their own product to compete head-to-head with ours, not just repackaging our service and selling it for a few dollars less.

"Of course, new entrants don't want to invest the money it takes to serve all Colorado customers when they're only interested in the high-profit few.

"Colorado has an excellent telecommunications network -- but it has cost \$2.6 billion in the last five years alone to expand and maintain. The new entrants demand to use the existing network for a discount that is below even our own costs. That's nothing short of information-highway robbery," Scully added.

"A strong, statewide telecommunications network is one of the most important assets Colorado will need in the 21st century. It's also expensive because of the low population density and rugged terrain in much of the state. Competition can make Colorado's network stronger, but only if all telecommunications companies contribute their fair share to use it," said Scully.

-END-

Effective July 1, the state's local telecommunications market will be opened to competition.

U S WEST Communications Group (NYSE: USW) provides telecommunications services to more than 25 million customers in 14 western and midwestern states. The company is one of two major groups that make up U S WEST, a company in the connections business, helping customers share information, entertainment and communications services in local markets nationwide. U S WEST's other major group, U S WEST Media Group, is involved in domestic and international cable and telephony, wireless communications, and directory and information services.

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SUMMARY OF COLORADO INTERCONNECTION, UNBUNDLING AND RESALE FILING

INTERCONNECTION

- **LIS-PORT PROVIDED FOR LINE SIDE INTERCONNECTION @ \$2.00 PLUS LOCAL USAGE @ \$.02**
- **EICT PROVIDED FOR TRUNKSIDE INTERCONNECTION**

UNBUNDLING

- **UNBUNDLED LOOP (LIS-LINK) PROVIDED AT \$32 (INCLUDES CALC AND CCL)**
- **TRANSPORT HAS TWO RATE STRUCTURES; THE CURRENT RATE STRUCTURE REQUIRES FORECASTS AND A 5 YEAR COMMITMENT TO REDUCE THE RISK OF STRANDED PLANT. PREMIUM RATE STRUCTURE DOES NOT REQUIRE FORECASTS OR COMMITMENTS**
- **BILL & KEEP APPLIES TO END OFFICE SWITCHING AND TERMINATION TO THE CUSTOMER PREMISES (LOOP) ONLY**
- **RESIDENCE / BUSINESS SUPPORT CHARGE @ \$10 PER CLEC BUSINESS ACCESS LINE**
- **ELEVEN UNBUNDLED ELEMENTS OFFERED PER COMMISSION RULES**

LOCAL NUMBER PORTABILITY

- **REMOTE CALL FORWARDING OFFERED AT \$6.00**

COLLOCATION

- **VIRTUAL COLLOCATION OFFERED**
- **PHYSICAL COLLOCATION OFFERED WHERE AVAILABLE, AT USWC DETERMINATION, ON AN INDIVIDUAL CASE BASIS**

RESALE

- **RESIDENCE BASIC EXCHANGE OFFERED AT \$17.95 (PER THE MAY 10 AFOR FILING)**
- **BUSINESS BASIC EXCHANGE OFFERED AT 5% DISCOUNT**
- **TOLL OFFERED AT 7% DISCOUNT**
- **FEATURES OFFERED AT 4% DISCOUNT**
- **LATE PAYMENT CHARGE OF 1.5% PER MONTH AFTER 60 DAYS**
- **CUSTOMER TRANSFER CHARGE OF \$45 & \$49**